

**ARIZONA DEPARTMENT OF HEALTH SERVICES
SPECIAL SUPPLEMENTAL NUTRITION PROGRAM
FOR WOMEN, INFANTS AND CHILDREN (WIC)**

FFY 2006 – 2008 VENDOR CONTRACT - AMENDMENT NUMBER 1

The new Federal Cost Containment Regulations mandate that the Arizona Department of Health Services through the Office of Chronic Disease Prevention and Nutrition Services identify authorized WIC Vendors who derive more than fifty percent (50%) of their annual food sales revenue from WIC food instruments. See Special Supplemental Nutrition Program for Women, Infants, and Children, Pub. L. No. 108-265 (2004); 70 Fed. Reg. 71708 (2005 Interim Rule); 7 C.F.R. § 246.12(g) of the Interim Rule.

The Arizona WIC Program Vendor Contract, Vendor Responsibilities, Page 2 of 12 stipulates that:

“The Vendor shall comply with:

- a. This Contract and the Arizona WIC Program Vendor Manual, and any subsequent amendments or additions thereto.
- b. Federal and state statutes (including 42 U.S.C. § 1786) and regulations (including United States Department of Agriculture (hereafter USDA) regulations 7 C.F.R. § 246.1 *et. seq.*) that govern the WIC program, including any changes made during the agreement period.
- c. The Arizona WIC Program Policy and Procedure Manual and any amendments or changes thereto.
- d. The Vendor selection criteria throughout the Contract period, including any changes to the criteria. Using the current Vendor selection criteria, the Department may reassess the Vendor at any time during the Contract period. The Department will terminate and/or disqualify the Vendor if the Vendor fails to meet the current selection criteria. The Vendor may also be subject to other sanctions, including administrative fines, termination, disqualification, and civil money penalties, or any combination of sanctions, according to the Violations and Sanctions section of the Vendor Manual.”

Enclosed, please find the following sections of the Arizona WIC Program Vendor Manual (“Vendor Manual”) that have been revised to comply with the above referenced laws and regulations:

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| ➤ Section 2 - Foods | ➤ Section 13 - Appendix 3 - Selection & Authorization |
| ➤ Section 6 - Payments | ➤ Section 14 - Appendix 4 - Participant Access |
| ➤ Section 10 - Appeal Rights & Hearing Procedures | ➤ Section 15 - Appendix 5 - Definitions |

Pursuant to the aforementioned Federal Cost Containment Regulations, the Arizona Department of Health Services, through the Office of Chronic Disease Prevention and Nutrition Services (hereinafter “the State”), cannot authorize new Above-50-Percent Vendors. Based upon the Federal Regulations, the State has the option to terminate existing Above-50-Percent Vendors from participation in the Arizona WIC Program. At this time, the State has chosen to allow existing Above-50-Percent Vendors to participate pursuant to Federal Cost Containment Regulations. By signing below you acknowledge that you agree to the terms of the revisions to the Arizona WIC Program Vendor Manual. In the event that you do not sign this agreement within 30 days of receipt, or another time frame deemed acceptable by the Arizona WIC Director, you shall be considered to have withdrawn from participation in the Arizona WIC Program.

BY _____

Signature

Jeanette Shea-Ramirez, M.S.W., A.C.S.W.

Date

Arizona Department of Health Services

150 North 18th Avenue, Suite 310

Phoenix, Arizona 85007

1 (866) 737-3935

Signature

Date

Print or Type Name and Title of Authorized Person

Store Name

Street

City

State

Zip Code

County/Reservation

Telephone Number